



Resolution No. 2016R-454

City of Minneapolis

File No. 16-01414

By Quincy

**Authorizing internal loan in connection with the refunding of General Obligation Tax Increment Bonds (Midtown Exchange), Series 2008, issued by the City of Minneapolis.**

Resolved by The City Council of The City of Minneapolis:

That the City of Minneapolis (the "City") previously issued its General Obligation Tax Increment Bonds (Midtown Exchange), Series 2008 (the "Bonds"), on March 11, 2008, in the original aggregate principal amount of \$2,770,000, pursuant to a Minnesota Statutes, Chapter 475, as amended, and Sections 469.174 through 469.1799, as amended (the "TIF Act"), and a resolution adopted by the City Council of the City on September 3, 2004.

That the proceeds of the Bonds were applied to finance and refinance public redevelopment costs for the development and redevelopment of the Lake Street Center Redevelopment Project and the Lake Street Center Redevelopment Tax Increment Finance District (the "TIF District") of the City.

That the Bonds are currently outstanding in the principal amount of \$995,000 and are callable on March 1, 2016, or any date thereafter.

That the City intends to advance funds from its Self Insurance Fund in order to redeem and prepay the outstanding Bonds and proposes to designate such advance as an interfund loan in accordance with the terms of this resolution.

That the City intends to repay such interfund loan using tax increments derived from the TIF District within approximately seven years.

Be it further resolved by the City Council of the City of Minneapolis:

That the City shall borrow from the Self Insurance Fund moneys to pay the outstanding principal amount of the Bonds in a principal amount of up to \$995,000 (the "Interfund Loan"). Interest shall accrue on the principal amount from the date of disbursement of the Interfund Loan at the rate of 1.90% per annum, which shall be payable from tax increments derived from the TIF District or other available funds of the City authorized to be used to repay the Interfund Loan.

That payments of principal of and interest (the "Payments") on the Interfund Loan shall be paid semiannually on each March 1 and September 1 (each a "Payment Date"), commencing with March 1, 2016 and continuing until the principal of and interest on the Interfund Loan is paid in full. Payments on the Interfund Loan will be made in the amount and only to the extent of Available Tax Increment (hereinafter defined). Payments shall be applied first to accrued interest, and then to unpaid principal.

That Payments on the Interfund Loan are payable from "Available Tax Increment," which shall mean, on each Payment Date, all of the tax increment generated in the preceding six (6) months with respect to the property within the TIF District and remitted to the City by Hennepin County, all in accordance with the TIF

Act. Payments on the Interfund Loan are subordinate to any outstanding or future bonds, notes or contracts secured in whole or in part with Available Tax Increment, and are on parity with any other outstanding or future Interfund Loans secured in whole or in part with Available Tax Increment, unless a different priority of payment is established from time to time by the Finance Officer or under the terms of any contract, note, bond resolution or indenture. Payments may also be made from other available funds of the City authorized to be used for such purpose.

That the principal sum and all accrued interest payable under the Interfund Loan is prepayable in whole or in part at any time by the City without premium or penalty.

That the Interfund Loan is evidence of an internal borrowing by the City in accordance with Section 469.178, subdivision 7 of the TIF Act, and is a limited obligation payable from Available Tax Increment pledged to the payment hereof under this resolution. The Interfund Loan shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, Hennepin County. Neither the State of Minnesota nor any political subdivision thereof shall be obligated to pay the principal of or interest on the Interfund Loan or other costs incident hereto except out of Available Tax Increment.

That the City may at any time make a determination to forgive the outstanding principal amount and accrued interest on the Interfund Loan to the extent permissible under law.

That the Authority may from time to time amend the terms of this resolution, including amendments to the terms of and the Interfund Loan entered into under this resolution.

That this resolution is effective upon the date of its approval.

Committee: WM Public Hearing: N/A Publication: OCT 29 2016

RECORD OF COUNCIL VOTE				
MEMBER	AYE	NAY	ABSTAIN	ABSENT
REICH	X			
GORDON	X			
FREY	X			
B. JOHNSON	X			
YANG	X			
WARSAME				X
GOODMAN	X			
GLIDDEN	X			
CANO				X
BENDER	X			
QUINCY	X			
A. JOHNSON	X			
PALMISANO	X			
DATE:	OCT 21 2016			

☒ APPROVED ☐ VETOED

  
MAYOR HODGES

OCT 27 2016

DATE

Certified an official action of the City Council  
ATTEST:

  
CITY CLERK

Presented to the Mayor:

OCT 21 2016

Received from the Mayor:

OCT 27 2016





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Resolution No. 2016R-455

City of Minneapolis

File No. 16-01414

By Quincy

**Amending The 2016 General Appropriation Resolution.**

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the appropriation for the Bonds and Interest Department in the Tax Increment Debt Service Fund (05900-1100100) by \$1,007,000 to pay for the principal and interest costs of refunding the General Obligation Tax Increment Bonds (Midtown Exchange), Series 2008.

Committee: WM Public Hearing: N/A Publication: OCT 29 2016

RECORD OF COUNCIL VOTE				
MEMBER	AYE	NAY	ABSTAIN	ABSENT
REICH	X			
GORDON	X			
FREY	X			
B. JOHNSON	X			
YANG	X			
WARSAME				X
GOODMAN	X			
GLIDDEN	X			
CANO				X
BENDER	X			
QUINCY	X			
A. JOHNSON	X			
PALMISANO	X			
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